

**Chief of Naval Operations
Adm. Jonathan Greenert
Pacific Command All-Hands Call
January 20, 2012**

You know it's the only time I was going to get applause and you took it away from me.

Please have a seat.

It is a pleasure. Can you all hear me? This mike isn't working anyway.

You have no idea how happy I am to be here, for a couple of reasons. It's not necessarily where I am.

I think you can hear me just fine, right?

It's great to be here, but it's where I'm not, which is in the Pentagon in my office, which has a magnificent view of Arlington Cemetery. People say hey, you made it all the way here to the E-Ring. Where's your next assignment? I of course point right out there and say -- .

I've got a couple of things I want to talk to you, but I get more out of these listening to you. Listening to what's on your mind, what are your concerns, what do we have to get rid of, what do we have to take a look and improve a little bit more on.

Let me just start out with a few factoids, a few pieces of information here. In the department, really in the country, DoD wise, security wise, we're what we call at a point. You know the country has to get its fiscal house in order, our money house in order. We have deficits. We've got to deal with it. That results in pressure on the budget, and that will ultimately come to the Defense Department, so we've got to deal with a declining budget. That's one.

Two, we are drawing down from a series of operations, ground operations, in the Middle East that is a change in where the attention of the security of the country is going to go. That's two.

Three, hey, the world's evolving at kind of an increasing pace. You had what's called the Arab Spring which took place about a year ago. You've got issues in Iran. You've got the Middle East. You've got Asia Pacific, your area of the world, and the evolution there. All those things coming together certainly imply that we have got to take a look at our strategy and we've got to see what is the focus of the future and what does that mean?

Let me give it to you straight and right here. The focus of this department in the future is the Asia Pacific region, where you are. I look at Hawaii and I say it's the gateway, the most strategic base, what you all do and where you all are located, out into the Asia Pacific. This is a very important base, very important area where we're going to operate in the near future.

So let me talk a little bit about, with that as a backdrop, when I took the watch and I set the course kind of what was on my mind, a little bit about some issues that I as the and I have been going around, that we're picking up and I think are of interest to you because they're of interest to a lot of your shipmates. And lastly, like I said, we'll take some Q&A from you.

Until August Darleen and I were sort of on a different course. Through the summer they said hey, we may want you to do one more thing. I said okay, we're up for that. Actually she said okay, then I said okay. She's shaking her head. So I said okay. What does that mean? We've got these challenges that I just referred to. Where do we want the Navy to go? We've got half a trillion dollars over ten years that need to be dealt with through the Budget Control Act. We have got, as I said, a changing world. I don't know where this is going to come out. So I said I want to reduce the anxiety a little bit and I want you all and all of your shipmates and leaders out there to be focusing on the things that matter most, the things we've got to do no matter what the size and shape of our Navy is, no matter what the focus of the country and the security realm would be, what is most important and what is the essence of what we're going to do.

So I set my priorities, and they're not all that different from the priorities, in fact they're pretty much exactly the same, of Admiral Roughead, Admiral Mullen, and a lot of what Admiral Clark did. They are number one, we have to be able to answer the bell. We have to be able to do today what we are asked to do today. To say we're not ready, our current readiness isn't right, we're not manned, organized, trained and equipped, but wait until next year, we'll be up awesome, is not going to cut it. So that's number one. To do today's job today.

Two, people like us in the Navy, in Washington I should say, we build the Navy of the future. The ships, the aircraft, the CBs, the equipment, everything of the future.

Number three, we've got to enable you all to do the job you need to do and we need to make sure that your families are taken care of to do that and also your partners, the civilians in here. And we have got to take a look at the force of tomorrow. What does that force of tomorrow look like? It has to be as motivated as you all are, and you're very motivated by the way. It has to be relevant. The skills that we need for tomorrow, we have to embed them and start implicating them into our and we have to be a diverse force. And above everything, why we have to be a diverse force is that's where the talent is. If you look out there, where the demographics of our country are going, that's where the talent is and we have to be a diverse force.

So those three things are my priorities.

But we deal with issues as you deal with issues, as you who are United States as chiefs and officers and from the board room to the ward room and the ready room, I ask you to look at things through kind of what I call tenets, or you can look at them in legs. How do we think things through?

Number one, warfighting is first. If we can't do the job we're asked to do like I referred to before, if we aren't thinking about getting underway and going out there and being able to do what we need to do, then we're not going to be effective. That's what we need to do to be effective. Warfighting has to be first.

Two, we in the Navy have to operate forward. From the end of the war of 1812, we were getting our butts kicked in that war by the way, until we figured out how to get things done and things kind of changed for us. But from there, to the great white fleet on through the legacy of this Navy, operating forward is where we're most effective. So operating forward is number two.

Third, you've got to be ready. That doesn't just mean parts, it doesn't just mean fuel, get the maintenance done and all that. It does mean all of that. It does mean manning. But when you get underway and you go out to the Western Pacific, to Central Command, wherever it is, that you are ready to integrate with that fleet, with that force, to get the job done that needs to be done. So be ready to operate forward, and warfighting is first.

Now with that in mind, -- Can you put the slide up, please?

I wanted to give you a little perspective in how I'm thinking through that context of operating forward. I took a look at the world, if you will, where things move around the world. What we call the maritime crossroads. Look around the world and say where does occur around the world? Where is the important economic areas of the world? Where are they located? Where are we based? Where do we need to operate? And how do we need to go about doing that?

We laid all that out and said this is where the important areas of the world are; this is where we are, and how do we take that from today and leverage it towards the future?

For those of you who may be engineering majors and look at that, that's a bow. For those of you who are majors, that's a bow tie. .

Here we are a very important base. These are the bases from which we deploy. If you look around the world today, here's, there are places out there which may not be bases per se where we have people living and where we don't port ships that are very important to us. Clearly in the area of Japan we have, we have Yokosuka, we have Atsugi, and we've got Misawa and more. We have forward deployed naval forces there and we'll be in Japan as far as the eye can see. Japan is a major, major keystone part of our future.

We've got Okinawa which of course is white beach where we have our amphibious forces; we work with our brothers and sisters in the Marine Corps.

But we've also got down here in Darwin. Recently our country, working with Australia, is offered us to get together and decide what would be the appropriate size and what would be the appropriate mission set for a rotational force of Marines coming from Darwin, where we would provide the lift, working with the Marines, and working in the future to provide that sort of a presence down here in Southeast Asia. So Darwin becomes a place.

We are expanding communications here to look at the rest of Australia. Possibilities for a place.

In Singapore, the Singapore government has offered the opportunity for us to bring littoral combat ships here in the next three or four years and to operate on Singapore and a forward base also in Singapore. So another place, an opportunity, here by the Malacca Straits.

I don't have a place down here in the Philippines. We operate out of the Philippines on occasion right now, Clark Air Base. If you've been in the Navy long enough you know that we were in the Philippines up through really Mount Pinatubo erupting back in the early '90s. But we are in negotiations, discussions, to maybe do more, provide more opportunity operating with the Philippine armed forces. We operate with them on counterterrorism down here.

In the Indian Ocean you've got Diego Garcia where we outfit and upkeep our SSGNs for their opportunities operate out of there.

Djibouti, very important. Down by the Mandeb Straits here by the Red Sea. In Djibouti we have a deep water port, a place that we can refuel, we can restock, and we have an amazing airhead. Anybody been to Djibouti? Pretty big place. And it's a very important place for us for the future.

The Strait of Hormuz and Bahrain. Bahrain is an important part of our future. That's where our Navy Central Commands, our 5th Fleet Headquarters. We operate mine sweeps out of there. We operate [patrol] out of there and other small craft, and I see that in our future. You should see that in our future.

There are issues right now with the Bahrain government due to some happenings during the Arab Spring issue. We are working through that systematically. I hope we'll really get back to normal relations there and move ahead.

We have been in there for decades and there's really no good Plan B.

Coming up here on the Strait of Hormuz, and we're talking about Sigonella, Souda Bay, Crete, talking about Naples are places here in the Mediterranean. And recently, looking at Rome and Spain, we have been offered to bring more DDGs, more destroyers, [DMT] capable and operating out of Rota. That would take place about the middle of this decade, when we get the movement done there and we get.

Now we're coming across the Atlantic, and we look down here at the Panama Canal and Guantanamo Bay. The Panama Canal is going to be widened here in the near future. Over the next three or four years we'll complete that. When that is done, big ships, big container ships, big tankers that used to have to go all the way around, can now go through the Canal.

The Caribbean will be a somewhat different place. What does that mean? Increased piracy, increased smuggling, increased? I don't know. But what it means is we've got to be able to respond. That's an important crossroad. So this will be a place of importance to us, Guantanamo Bay. There's an airfield there. There's a fort there. If you're a surface warfare officer and you've been in long enough, you've probably operated out of there.

So this lays out around the world today the cross roads of where we have bases and places.

Where you see the ships here, on any given day since I've taken the watch, every day I get in an SUV, I ride to work, I get a book that lays out, that tells me where the Navy is today. Where you guys are. And over the period of time since I've been at this watch, these are about the numbers of where we're deployed and where we're operating.

Now some of you may be counting that I've simplified it here. We have about 100 ships deployed on any given day. That makes the percentages pretty decent. Half of them are out in the Western Pacific. A third of them almost are in the Arabian Gulf, the North Arabian Sea and the Gulf of Aden here. You can see the percentages.

So the Western Pacific today is a very important area. This sort of percentage I would foresee in the future, about right as far as a relative perspective of our endeavor for what's going to happen.

On any given day there's about 45 ships on the East or West Coast getting ready for deployment. And about on the West Coast and the East Coast, here and in South America.

These are battle force ships. These are gray hulls predominantly. That doesn't mean we don't have other types of ships operating in and around that we don't think. Again, about 285 ships, about 145 underway any given day, about 100 deployed on any given day. That's where we are today.

That kind of sets the baseline for operating forward. Our challenge is to find innovative ways to sustain this operating forward, be prepared, and make sure we lay in place the ability to continue this focus where most of our attention has been and will continue to be an increase in the Western Pacific and in the Arabian Gulf.

Laid out here are just how long it takes. Obviously the numbers on the East Coast or West Coast are 14 knots. If you're not forward, if you're not, how long it would take for our East and West Coast bases to get to these cross roads around the world.

Let me get a few points across here, and then we'll go to Q&A.

I mentioned warfighting and I want to reiterate my focus on that and what that means. When I talk to that, it's not just buying systems, it's being able to make sure that you get the training and you get the equipment you need to train so that when you go out to do the job you're competent in getting it done.

We are making changes in the budget. I'm working with Admiral Harvey and Admiral Walsh here in COMPAC Fleet and Fleet Forces Command to move towards that position so that your training time is more effective and you can be more relevant, get ready to do what you need to do. I want you to be proficient.

As we look ahead to the budget, some of you may say hey, what's up with retirement? I hear there's some concern, there's consideration in that regard.

What we're going to do is we will put together -- We is the collective we, the country, under the direction of the President, we'll have a commission that will study military retirement. That commission is not stood up yet. It will be formed. We, the Department of Defense, will have representation. It is our intent that, that representation includes senior enlisted leadership from all the services, the service chiefs, and we will approach this in a manner not unlike the way we approached the Don't Ask/Don't Tell repeal. What I mean by that is go out and survey the fleet, find out to be clear what's important -- when I say fleet I mean all the forces -- bring that back, do the filter of our senior enlisted and make sure the Secretary of Defense has that picture of what is important. What makes the all-volunteer force tick with regard to retirement. Provide that input in to the commission. They go study this for what will be probably numerous months.

What about me? Is my retirement going to change? If you're in this room and you're in uniform. You're under a retirement system that we don't intend to retrograde you back to another one. You're in the retirement system that you joined and that won't change. That's retirement.

ERB. We went for a couple of years, two or three years actually, where manning and separations continued to grow. It went over 100 percent. And the number of ratings over 100 percent continued to grow. We got to the point where we had about over a third, we had about 31 out of 85 NECs overmanned. So what happens when you do

that, when you use which is designed to tweak and balance, you're trying to address a pretty large over manning situation system. That balance is small. PTS became too hard. We had an over manning situation such that we had to make an adjustment. The ERB was that adjustment. It wasn't something we prefer to do. It involved about one percent of the force, roughly 3,000. Until we held that board. That's complete. That is done. Those people have been notified. We have in place the means to transition those folks that we're asking to leave, basically laying off, that they can transition properly and get on to another career, be it in the reserves, be it wherever. We have numerous initiatives in that regard.

So ERB is done. Are we going to do it next year? I don't see it next year. Personnel tells me I don't think we need it. What about the year after? He says he doesn't see it there.

What about advancements? Well advancements were constrained because of the over manning in so many of our NECCs. Advancements are increasing and returning to a more normal area because we are now, we still have some overmanned NECCs but it's like 11 where we had 30-some before.

What does that mean about PTS now? Because we have done this ERB and it's over with, we have now made that adjustment. PTS over the last few months has returned to what we intended in the beginning it would be a tweaking for a balancing of the force.

We're at about 8.5 to 9 out of 10 request for PTS being approved, which is about where we hoped to be when we brought the thing up.

What I'm telling you is I think we are kind of going back to normal, if you will, on the manning, and normal would be several years ago normal as opposed to the near issues that we have in that regard.

Some have asked what about early retirement associated with those folks in ERB? What about people at 15 years? We asked for and we got the authority to be able to offer that early retirement. That has been given and now we will work to implement that for those people who.

Educational benefits. What about the post-9/11 GI Bill? I hear that's changing. Not that I'm aware of. There were some changes in policy but the entitlement remains and there's no plan to change that.

What about Spice? What about it? We've got a lot of Spice. It's not a narcotic right now, but there's an executive order making it illegal. We are working in partnership with NCIS to deal with tests. The effectiveness of the test. If you use it and you think it's kind of low risk, I'd tell you we are catching more and more and more and I'd tell you you're going to get caught. If you get caught, you're going to get thrown out. It is not consistent with what we're looking for in our Navy today. So a word of advice on Spice.

OpTempo. I read in the Navy Times that we were 10 month deployments. That's not the plan. We have looked at FY13 and deployment levels on average, right now, look to be somewhere around carrier strike groups, this is notional, 6.5 months. If you're a BMD ship, maybe seven months. If you're on an ARG maybe seven months. If you're on a submarine, about six months. These are notional. The world gets a vote. Ships break down. Carriers get delayed from dry-dock or something, here or there, air wings, whatever it might be. But what I'm giving you is the notional plan for the future is not ten months, not nine months. Will there be occasion of somebody here or there may get extended? That happens. It happens because untoward incidents happen in that light, but it's not a consistent plan that we have in place.

Let me open the floor. I can maybe clarify anything I've said, or go into any topic you all want to talk about. The floor is open.